



United States Senate
**Committee on Small Business
and Entrepreneurship**

Olympia J. Snowe, Chair

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For Immediate Release
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Snowe Introduces Bill to Help Small Businesses Comply with Complex Regulations
Continues Regulatory Relief Effort for Small Businesses

U.S. Senator Olympia J. Snowe (R-Maine), Chair of the Senate Committee on Small Business and Entrepreneurship, joined a bi-partisan group of Senators in introducing the "National Small Business Regulatory Assistance Act of 2005," (S. 1411) which establishes a pilot program within the Small Business Administration that will help small business owners better comply with complex and confusing Federal regulations.

"Small business owners have found it increasingly tedious and difficult to meet their regulatory obligations while at the same time trying to successfully operate their businesses," said Senator Snowe. "Time after time, small business owners don't learn about an oversight until it is too late and an inspector or auditor walks through the door. This legislation will provide small businesses with additional assistance and counseling so they can both understand and comply with government regulations."

"Businesses with fewer than 20 employees pay nearly \$7,000 per employee to comply with a morass of rules, regulations, forms and penalties," noted Senator Snowe. "That is 60 percent higher than what larger businesses pay. Congress must pass legislation that reduces this burden and frees our small business owners to do what they do best: create jobs."

The bill establishes a 4-year pilot program for the SBA's Small Business Development Centers (SBDC's). It authorizes \$5 million for the first fiscal year after enactment and an additional \$5 million for each of the next three fiscal years. The legislation requires the SBA to provide competitive matching grants to the SBDC programs of two states in each of the SBA's 10 regions. The grants will be between \$150,000 and \$300,000, and will achieve the following:

- * Expand current services to small business owners and provide information and resources regarding current Federal and state compliance and technical assistance programs;
- * Conduct training and educational activities on regulatory compliance;
- * Offer confidential, free-of-charge, one-on-one, in-depth counseling to small business owners on regulatory compliance;
- * Give referrals to experts and other providers on compliance assistance;

As part of her agenda of regulatory relief, last week Senator Snowe introduced the Regulatory Flexibility Reform Act of 2005 (S. 1388), which would require Federal agencies to consider the economic impact of their regulations whenever the impact on small businesses is foreseeable. Under current law, an agency does not have to examine the impact of its proposed regulations on small businesses even though the costs are obvious and foreseeable. Senator Snowe's legislation will close this loophole in the law and help level the playing field for small business owners.

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